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Secondary Use of Articles in Online Databases under U.K. Law

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I. INTRODUCTION

The electronic publishing industry has grown steadily throughout the 1990s.¹ As a result of this growth, demand for articles to be placed online greatly increased.²

To meet this rapid growth, some publishing companies have expanded into the electronic media.³ As such, publishers have begun selling articles printed in editions of their magazines for use in online databases.⁴ In many instances, publishers have sold articles to online providers without the writer's consent.⁵

1. Electronic publishing has been defined as a non-print media which can be delivered, sorted and manipulated through electronic means. See ICC INFO. GROUP LTD., ICC STOCKBROKER RESEARCH REPORTS, *Multi-Media-Myth and Reality*, Oct. 24, 1993, at 37, available in LEXIS, UK Library, UKCO File [hereinafter ICC INFO. Oct. 1993]. Electronic publishing has several important characteristics, including: 1. The inherent capacity to make rapid searches of large, complex databases, and correlate the information; 2. an interactive relationship between the user and the data; and 3. the ability to embellish the information with pictures and sound. See ICC INFO. GROUP LTD., ICC STOCKBROKER RESEARCH REPORTS, *Media-Recovery*, May 10, 1993, at 6, available in LEXIS, UK Library, UKCO File [hereinafter ICC INFO. May 1993]. See also Sidney A. Rosenzweig, Comment, *Don't Put My Article Online!: Extending Copyright's New Use Doctrine to the Electronic Publishing Media and Beyond*, 143 U. PA. L. REV. 899, 902 (1995) (discussing the rise in use of online services, and availability to consumers). Online databases accounted for a large portion of this growth. See ICC INFO. Oct. 1993 *supra* note 1, at 37. A database is a collection of information records, organized by a computer to facilitate retrieval of specific records in conjunction with an information retrieval system. *Id.* The Reed-Elsevier acquisition of Lexis-Nexis in 1994 gave that corporation, with ties to the United Kingdom, a significant share of the online database market in the United States and in Europe. See ICC INFO. GROUP LTD., ICC STOCKBROKER RESEARCH REPORTS, *Elsevier-Solid Growth Set to Continue*, Apr. 21, 1995, at 3, available in LEXIS, UK Library, UKCO File [hereinafter ICC INFO. Apr. 1995].

2. See *Pulling and Pushing E-Rights: Publishers Negotiate for Content and Writers Follow the Money*, SEYBOLD PUB. INC., 5 DIGITAL MEDIA 19 (1995) [hereinafter *Pulling and Pushing E-Rights*] (examining the problems that expansion into online media has caused in determining compensation for articles placed online); see also Donna Demac, *Database Dollar: Whose Are They?*, 31 COLUM. JOURNALISM REV. 21 (1992).

3. See ICC INFO. Oct. 1993, *supra* note 1, at 37 (discussing the success of Reuters and FT Profile, two United Kingdom publishers who expanded into the new media). It has been estimated that approximately 50% of online information systems are owned by traditional publishers. *Id.* See also ICC INFO. Apr. 1995, *supra* note 1, at 3 (noting the success of the Reed-Elsevier merger with Nexis-Lexis); Rosenzweig, *supra* note 1, at 902-03 (noting efforts by publishers to develop business in online media).

4. See Simon Gallant & Mary Russell, *Publish and Be Damned? Some of the Issues Facing Publishers Through the Use of New Media Formats*, 92 L. SOC'Y GAZETTE 20 (1995) (analyzing the rights of journalists and publishers in the United Kingdom when articles are put online); see also Demac, *supra* note 2, at 21 (citing a study by Simba Information, estimating that in 1991, total revenues from online information services amounted to 9.6 billion dollars, 10-20% of which went to the publishers); Rosalind Resnick, *Writers, Databases Do Battle, Online Distribution Stirs Royalties Dispute*, 16 NAT'L L.J. 1 (1994) (analyzing the dispute between journalists and publishers under United States law when publishers put articles online without permission of the writers); Martin Garbus, *Who Owns Electronic Rights in the New Media?*, 4 N.Y.L.J. 1 (1994).

5. See Resnick, *supra* note 4, at 1 (noting that in the *Tasini* case, the writer objected to the online use as soon as he discovered it); see also *Don't Let Copyright Kill the Messenger, Say United States Online Suppliers*, MULTIMEDIA BUS. ANALYST, FIN. TIMES, Oct. 26, 1994, available in LEXIS, UK Library, Uknlr File.

This has led to a dispute about copyright ownership in the articles placed online.⁶ Although the initial dispute has arisen in the United States, it has had effects on the publishing industry in the United Kingdom as well.⁷

This comment focuses on laws of the United Kingdom which are designed to resolve the dispute between authors and publishers over copyright in print articles placed online.

Part II discusses the nature of the Internet,⁸ and the evolving use of that medium in electronic publishing.⁹ Part III scrutinizes the theory of copyright law as it pertains to online systems, and discusses the competing interests which the law is designed to serve.¹⁰ Part IV examines United Kingdom copyright law.¹¹ Part V explores the profound effect the new technology has on enforcement of copyright laws in the new media.¹² It also discusses the unforeseen effects database technology has on the publishing industry and describes various approaches courts have taken when confronted with competing claims to copyright in works released in new media.¹³ Part VI critically examines policy considerations in enforcing new use rights in articles placed online without the author's permission.¹⁴ Moreover, it explores solutions to the difficulties posed by the competing interests of the public, the writers and the publishing industry.¹⁵ Finally, Part VII concludes that until the medium of the Internet is more fully developed, new use rights should vest in publishers of articles published in that medium, while copyright should vest in the authors of articles placed in other commercial online databases.¹⁶

6. See Resnick, *supra* note 4, at 1 (discussing *Tasini v. New York Times, et. al*, Case No. 93-8678 (S.D.N.Y., filed Dec. 16, 1993). *Tasini* is a dispute surrounding ownership of copyright in articles placed online without the writer's permission. *Id.*; Gallant & Russell, *supra* note 4, at 20 (discussing the affect of the *Tasini* case on United Kingdom journalists and publishers, and how the problems posed by *Tasini* might be viewed under United Kingdom law).

7. See Gallant & Russell, *supra* note 4, at 20; Alexandra Owens, *ASJA CONTRACTS WATCH*, 75227.1650@COMPUSERVE.COM, Nov. 1, 1995 (noting the negotiations between a major United Kingdom publisher, E-Map, and its writers over control of online rights). See also *infra* notes 188-99 and accompanying text.

8. See *infra* notes 17-24 and accompanying text.

9. See *infra* notes 25-31 and accompanying text.

10. See *infra* notes 32-39 and accompanying text.

11. See *infra* notes 40-94 and accompanying text.

12. See *infra* notes 95-99 and accompanying text.

13. See *infra* notes 100-86 and accompanying text.

14. See *infra* notes 187-205 and accompanying text.

15. See *infra* notes 206-10 and accompanying text.

16. See *infra* notes 211-17 and accompanying text.

II. THE INTERNET AND ELECTRONIC PUBLISHING

The Internet has been described as a global interconnected network of computer networks.¹⁷ Growth on the Internet has been phenomenal, with 2000 users in the 1980s growing to over 20 million users by 1995.¹⁸ The number of users may reach 200 million by the year 2000.¹⁹ This is due at least in part to its use as a communications forum.²⁰

Many believe the increase in users is due to new software, which provides better and simpler access to the Internet.²¹ New applications, particularly the World Wide Web²² and its browser software, like Mosaic and Cello have turned a complex, technical labyrinth into a compelling corporate billboard.²³

A. Electronic Publishing in the United Kingdom

Some regard the Internet as a low cost publishing alternative.²⁴ Indeed, some magazines and newspapers have created analogous online versions.²⁵ In addition,

17. Robert L. Dunne, *Deferring Unauthorized Access to Computers; Controlling Behavior in Cyberspace Through A Contract Law Paradigm*, 35 JURIMETRICS, J. OF LAW SCI. & TECH. 1, 3 (1994). The Internet began as Arpanet, a communications network devised by the military to connect several strategic sites in the United States. *Id.* at 3.

18. Keith Woolcock, *Net The World; Twenty Million and Growing—The Online Cyber Nation*, MAIL ON SUNDAY, Apr. 10, 1994, at 76.

19. See Dr. Thomas Carruthers, *Surf's Up*, MONEY MARKETING, available in LEXIS, UK Library, Ukpubs File, July 6, 1995.

20. See LANCE ROSE, NETLAW, YOUR RIGHTS IN THE ONLINE WORLD xvi (1995) (describing the use of the Internet as a means for people who are separated geographically to communicate easily).

21. Alix Christie, *Europe*, INFORMATION WEEK, Oct. 2, 1995, at 52, available in LEXIS, News Library, Curnws File; see also Ray Duncan, *Electronic Publishing on the World Wide Web*, PC MAGAZINE, Apr. 11, 1995, at 257-58 (discussing the electronic publishing on the Internet).

22. An invention of the European Laboratory for Particle Physics in Geneva, Switzerland. See Don Willmott, *The World-Wide Web: A Guided Tour of 100 Hot Sites*, PC MAGAZINE, Apr. 11, 1995, at 37; see also Duncan, *supra* note 21, at 257 (discussing online publishing); Erik Granered, WORLD WIDE WEB USER PROFILES BY GEOGRAPHIC REGION, GEORGIA TECH. RESEARCH CORP. & THE BVU CENTER AT GEORGIA TECH., Aug. 1995, http://www.cc.gatech.edu/gvu/user_surveys/ (Sept. 1995) (copy on file with *The Transnational Lawyer*) (presenting a profile of non-United States users of the World Wide Web [hereinafter the Web] its demographics and usage).

23. See Christie, *supra* note 21, at 52; see also Cade Metz, *The Top 100 Web Sites*, PC MAGAZINE, Feb. 6, 1996, at 100 (reviewing various Web sites, including magazines, journals and newspapers).

24. See Carruthers, *supra* note 19. Some have been disappointed in the slow economic growth of the media, but from a cost effectiveness standpoint, the Internet is efficient at producing a large number of copies for low cost, which is ideal for electronic publishing. *Id.*; see also UK, *Top UK Businesses Come to Grips with Internet Challenge*, COMPUTING, July 20, 1995, available in LEXIS, Europe Library, Allour File (quoting from a London panel debate of business persons views of the Internet).

25. See James Buxton, *Media Futures: The Electronic Herald for Scots Everywhere*, FIN. TIMES, June 19, 1995, at 15 (describing the inception of the online version of *the Herald*, a Glasgow, Scotland, based newspaper); see also Jack Schofield, *Internet: Made in Britain*, THE GUARDIAN, May 18, 1995, at T4 (discussing some of the United Kingdom Internet sites, including electronic magazines); Metz, *supra* note 23 at 115-16 (reviewing some of the online editions of newspapers and magazines).

new online journals have arisen, which have no corresponding print editions.²⁶

B. The Need to Protect Material on the Internet

The increased use of the Internet and online networks as a publishing medium has led companies to devote greater effort to protect online property via existing copyright law.²⁷ Now, companies with large investments in the medium have a vested interest in protecting their intellectual property.²⁸ Although some may disagree,²⁹ the battle to protect intellectual property placed online does not center solely on the interest of large corporations.³⁰ Many writers also want to protect their work from unauthorized use.³¹

III. COPYRIGHT LAW: BALANCE OF COMPETING INTERESTS

Copyright law is designed to balance competing interests.³² It endeavors to protect the pecuniary interests of the artists and publishers, who produce works for the public.³³ The law also guards the interest of the public in maintaining a

26. See Metz, *supra* note 23 at 115-16 (relating content of online periodicals like *Feed*, <http://www.feedmag.com>, and *Cyberculture*, <http://www.cvp.onramp.net/cyber/cybermag.html>); see also Schofield, *supra* note 25, at T4 (reviewing United Kingdom online periodicals, like *Future Net*, <http://www.futurenet.co.uk/net.html>, and the Electronic Telegraph).

27. Before business was involved, Internet users were largely ignored by the outside world, and could trade copyrighted works with relative impunity. Jean Erhard, *Digital Rights*, INTERNET WORLD, Nov./Dec. 1994, at 78. However, with an increased business presence online, this changed. See Joia Shillingford, *Internet: Copyright Reservations; 'Information Wants to be Free,' but Publishers and Authors Want Paying*, THE GUARDIAN, June 8, 1995, at T4, available in LEXIS, Non-US Library, News File (examining various threatened lawsuits in the United Kingdom over unauthorized use of copyrighted material). One incident in the United Kingdom involved unauthorized use of *Penthouse* magazine photographs online by a United Kingdom pornography publisher. *Id.*; see also, ROSE *supra* note 20, at 88 (discussing the efforts of some United States businesses to protect their online intellectual property).

28. See ROSE, *supra* note 20, at 88.

29. See, e.g., U.K.: *Top UK Businesses Come to Grips with Internet Challenge*, COMPUTING, July 20, 1995, available in LEXIS, Europe Library, Allent File (arguing that the copyright law protects large profits for certain businesses because copyright is a state sanctioned right).

30. Erhard, *supra* note 27, at 80.

31. Shillingford, *supra* note 27, at T4 (analyzing the problem faced by freelance writers in the United Kingdom and the attempts of the National Union of Journalists to change Reuters plans to put some of its magazines into database form without permission from its writers); see also Erhard, *supra* note 27, at 80.

32. William M. Landes & Richard A. Posner, *An Economic Analysis of Copyright Law*, 18 J. OF LEGAL STUD. 325, 326 (1989) (explaining the public good aspect of copyright law). If the cost of producing the initial work is high, the cost of copying the work is comparatively low. *Id.* Hence, if a work is priced too low, it may not cover the costs of creation. *Id.* While if the price is too high, others may not want to buy or copy the work. *Id.*

33. See Sheila J. McCartney, *Moral Rights Under the United Kingdom's Copyright, Designs and Patents Act of 1988*, 15 COLUM. J. OF L. & ARTS 205 (1991) (discussing the copyright holder's interests protected under copyright law).

free flow of information and ideas in the marketplace.³⁴ In general, copyright law grants the author a limited monopoly in the work.³⁵ In order to prevent the underproduction of works, publishing companies and writers argue copyright law should be strengthened to protect digital works published online.³⁶ Even so, there does not seem to be a dearth of articles on the Internet.³⁷ Although enforcement of copyright in online intellectual property may be complex,³⁸ current United Kingdom copyright law is adequate to deal with these problems.³⁹

IV. COPYRIGHT LAW IN THE UNITED KINGDOM

United Kingdom copyright law is governed by the Copyright, Designs and Patent Act of 1988 (CDPA).⁴⁰ In order to be protectible under United Kingdom law, a work must be original to the author.⁴¹ However, the originality relates not to the idea itself, but to its expression.⁴²

34. See Landes & Posner, *supra* note 32, at 326 (contrasting the public desire to gain free access to a work, with the author's desire to get paid for producing the work). For a statement of the theory by the United States Supreme court, see *Mazer v. Stein*, 347 U.S. 201, 210 (1954) (noting that rewarding individual effort by personal gain is the best way to advance the public welfare through the talents of artists and inventors).

35. See *Finding A Balance: Computer Software, Intellectual Property, and the Challenge of Technological Change*, U.S. CONGRESS, OFFICE OF TECHNOLOGY ASSESSMENT (May 1992) at 185 [hereinafter OTA Report] (arguing that without the counterbalancing grants of monopoly power provided via copyright, the inability of authors to receive compensation from their labors would result in the under-production of new works). In the United Kingdom, copyright protection in a work lasts 70 years plus the life of the author. Copyright, Designs and Patent Act of 1988 § 12(1) (1996) [hereinafter CDPA].

36. See OTA Report, *supra* note 35, at 185; see also Landes & Posner, *supra* note 32, at 330 (1989) (arguing that the need for copyright protection has increased over time, because modern technology has reduced the time it takes to make copies and enabled more perfect reproduction); Robert Rice, *Media Futures = Publishers Pulling the Digits Out*, FIN. TIMES, Mar. 20, 1995, at 13 (claiming that because copyright law may not be able to adequately protect publisher's intellectual property in online form, some have avoided placing copyrighted works online).

37. See Schofield, *supra* note 25, at T4 (noting the various web sites whose networks are located in the United Kingdom); see also Metz, *supra* note 23, at 100-42 (reviewing the wide variety of magazines, newspapers, periodicals and software available on the web).

38. See Junda Woo & Jared Sandberg, *Copyright Law is Easy to Break on the Internet, Hard to Enforce*, WALL ST. J., OCT. 10, 1994, at B6 (noting efforts by media companies such as Disney, to protect their intellectual property online); see also Gallant & Russell, *supra* note 4 (discussing possible solutions to some of the problems posed by copyrighted electronic media).

39. See *id.* at 20 (noting some proposed solutions to the dilemmas facing publishers and writers attempting to publish in online databases or other electronic media); see also *infra* notes 40-98 and accompanying text.

40. See HALSBURY'S STATUTES OF ENGLAND & WALES, vol. 11, *Copyright* (4th ed. 1991).

41. CDPA § 101a (1988); see also William R. Cornish, INTERNATIONAL COPYRIGHT LAW, UNITED KINGDOM (1994). Cf. U.S. law, *Feist Publications, Inc. v. Rural Telephone Service Company, Inc.* 111 S. Ct. 1282, 1287 (1991) (stating that to qualify for copyright, a work must be original to the author, e.g., created by the author and possess a minimal degree of creativity).

42. See *University of London Press v. University Tutorial Press* (1916) 2 Ch. 601, 608 (discussing that copyright law is not concerned with the protection of original ideas, but how ideas are expressed); cf. U.S. law, 17 U.S.C. § 102(b) (1976) (stating that in no case "does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regard-

A. Protected Works

Although the CDPA grants protection to a number of categories of works,⁴³ this comment focuses primarily on literary works.⁴⁴ A literary work is a written work, other than dramatic or musical, that may include computer programs or compilations.⁴⁵ The CDPA includes computer programs in the definition of literary works, so digital copies of such works satisfy the requirement that a work be written.⁴⁶ Copyright also resides in derivative works, although not expressly stated in statute.⁴⁷

B. Duration

In the United Kingdom, copyright protection lasts for the author's life plus seventy years.⁴⁸ Foreign works acquire the same period of protection as works created within the United Kingdom.⁴⁹

less of the form in which it is described, explained, illustrated or embodied in such work"); *Baker v. Selden*, 101 U.S. 95, 102-04 (1879) (expounding on the principle that there can be no copyright in an idea or method, but only its expression).

43. CDPA § 1(1) (1988); *see also* CORNISH, *supra* note 41; *cf.* U.S. law, 17 U.S.C. § 102(a) (1976) (listing eight general categories of protected works, similar to those protected in the United Kingdom). Contrary to United Kingdom law, the United States does not have a statutorily defined category for typographical arrangements of published editions.

44. CDPA § 3(1)(1988) (defining literary works).

45. *Id.*; *see* CORNISH, *supra* note 41. U.S. law is similar. *See* 17 U.S.C. § 101 (1976) (defining literary works); *see also* DONALD CHISUM & MICHAEL JACOBS, UNDERSTANDING INTELLECTUAL PROPERTY LAW 4-11 (1992) (discussing literary works generally) [hereinafter CHISUM & JACOBS].

46. *See* J. STERLING & M. CARPENTER, COPYRIGHT LAW IN THE UNITED KINGDOM AND THE RIGHTS OF PERFORMERS, AUTHORS AND COMPOSERS IN EUROPE 53 (1986) [hereinafter STERLING & CARPENTER] (stating that reduction to *any material form* will satisfy the writing requirement); *cf.* U.S. law, 17 U.S.C. § 101 (1976) (defining literary works to include works expressed in words, numbers or other symbols, regardless of material objects in which they are embodied).

47. A person who creates a new work, incorporating a previously copyrighted work, creates a derivative work. *See* CORNISH, *supra* note 41 (stating that a person who puts sufficient skill and labor into creating a new work from an existing work may be making an derivative work); *see also* *Cramp v. Smythson* (1944) A.C. 329 (finding a derivative work if the effort is more than minimal in creating the new work); *Warwick Films v. Eisinger* (1969) 1 Ch. 608 (finding a derivative work made from a literary work to which comments and explanations were added); *cf.* U.S. law, 17 U.S.C. § 101 (1976) (defining derivative works in statute).

48. CDPA § 12(1) (1996). The protection starts when the work is registered. According to new section 12 of the CDPA, enacted January 1996, copyright in a literary, dramatic, musical or artistic work expires at the end of the period of 70 years from the end of the calendar year in which the author dies. *Id.* § 12(2) (if joint authorship, from the end of the calendar year in which the last known joint author died. *Id.* § 12(8). If the work is of unknown authorship, it is 70 years from the end of the calendar year in which the work was made; or, if during that period the work is made available to the public, 70 years from the end of the calendar year in which it is first made available. *Id.* § 12(3) (1988); *cf.* U.S. law, 17 U.S.C. § 302(a) (1976) (stating that the duration of copyright is 50 years plus the life of the author for works created after Jan. 1, 1978); *but see* 17 U.S.C. § 303(a) (1976) (noting that works created prior to that date had protection only for 28 years from the date of registration, subject to renewal).

49. CORNISH, *supra* note 41.

C. Works for Hire

In the United Kingdom, copyright belongs to the author of a literary or artistic work, unless the work was created during the course of employment.⁵⁰ In that case, the work belongs to the employer.⁵¹ The test for ownership is whether the work undertaken forms an integral part of the business and whether typical attributes of employment are present.⁵²

D. Publication

In order to qualify for protection, a work must first be published.⁵³ A work is published when copies are issued to the public, or copies are made available through an electronic retrieval system.⁵⁴ A United Kingdom court opinion states publication takes place whenever the publisher invites the public to acquire copies.⁵⁵ In order to be valid, publication must be permitted by the author or copyright holder.⁵⁶ Thus, in the case of literary works, offering a copy for sale to another party would suffice to constitute publication.⁵⁷

50. CDPA § 9; *see also* CORNISH, *supra* note 41; *cf.* U.S. law, 17 U.S.C. § 201(a) (1976) (stating that copyright resides initially in the author of a work).

51. CDPA § 11(2); *see* CORNISH, *supra* note 41. U.S. law is similar. *See* 17 U.S.C. § 101 (1976) (defining a work for hire as made within the scope of employment); *id.* § 201(b) (holding the employer is the author of such a work, unless there is an express agreement to the contrary); *see also* CHISUM & JACOBS, *supra* note 45, at 4-270 (discussing the issue generally).

52. *See* *Stephenson Jordan v. McDonald and Evans* (1951) 69 R.P.C. 10, 22; *cf.* U.S. law, *Community for Creative NonViolence v. Reid*, 490 U.S. 730, 750 (1989) (stating the United States test for work for hire refers to the general concepts of agency law, and whether a work was prepared by an employee or independent contractor within those precepts).

53. CORNISH, *supra* note 41, at 40.

54. CDPA § 175(1) (1988); *cf.* 17 U.S.C. § 101 (1988) (defining publication under United States law, which is similar to the United Kingdom).

55. *British Northrop v. Texteam* (1974) R.P.C. 57.

56. CDPA §§ 175(5) & (6) (1988); *cf.* U.S. law, 17 U.S.C. § 410(c) (1988) (holding that registration of the copyright, within five years of publication is *prima facie* evidence of copyright validity).

57. *See* *Francis Day & Hunter Ltd. v. Feldman & Co.* (1914) 2 Ch. 728 (holding that offers for sale may constitute issuing to the public, within the context of publication); *see also* CORNISH, *supra* note 41; *STERLING & CARPENTER, supra* note 46, at 256. However, it is not necessary to actually sell the work, in order to publish it. *See, e.g., British Northrop v. Texteam* (1974) R.P.C. 57; *cf.* U.S. law, 17 U.S.C. § 101 (1988) (defining publication to include inviting the public to acquire copies). Hence, works published on the Internet, which are not always sold, might still be legally published. *See, e.g., Evan I. Schwartz, Advertising Webonomics 101, WIRED*, Feb. 1996, at 74, 76 (noting that publishers of electronic magazines on the web do not charge for access to articles).

E. Rights of Copyright Holder

Copyright in a work grants the author a limited right to prevent others from making copies of the work or using the protected material in certain ways.⁵⁸ In the United Kingdom, copyright also grants to the author of an original work certain other moral rights, in accord with the Berne Convention.⁵⁹ The moral rights granted under United Kingdom law include the right against derogatory treatment,⁶⁰ the right against false attribution,⁶¹ a limited right of privacy in photographs and films,⁶² and the right of attribution.⁶³ Unlike many other European countries, however, the United Kingdom allows waiver of moral rights by contract or estoppel.⁶⁴

1. Right of Attribution

The right of attribution is accorded to creators of literary and artistic works,⁶⁵ and lasts for the same period as the copyright.⁶⁶ This right permits the author of a work to be identified as its creator when the work is published.⁶⁷ In order to be enforceable, the right must be asserted in writing.⁶⁸ Commercially published copies of a work may require identification of the author printed on copies of the work.⁶⁹ However, this right does not arise in relation to publication in a

58. CORNISH, *supra* note 41; cf. U.S. law, CHISUM & JACOBS, *supra* note 45, at 4-117, 4-118 (discussing the rights protected by United States copyright law).

59. The Berne Convention for the Protection of Literary and Artistic Works, Paris, 1971 [hereinafter the Berne Convention] Article 6 *bis* of the Berne Convention governs moral rights; see CORNISH, *supra* note 41, at UK-47. The United States does not generally recognize moral rights. See CHISUM & JACOBS, *supra* note 45, at 4-142; cf. *Gilliam v. American Broadcasting Co., Inc.* 538 F.2d 14, 17 (2d Cir.1976) (holding that an author's right to control derivative works could be extended to prevent mutilation of a work. It is important to note, however, that plaintiff's had a contract which allowed them significant control over subsequent use of the work. *Id.*

60. CDPA § 80-83 (1988); cf. U.S. law, 17 U.S.C. § 106A(a)(2) (1976) (holding that the author has the right to prevent use of his name on a work that has been distorted or mutilated); 17 U.S.C. § 106A(a)(B)(A) (1976) (stating that the author has the right to prevent distortion or mutilation of the work which is prejudicial to his reputation). It is important to note this right applies only to visual art, or fine art. See 17 U.S.C. § 101 (1976).

61. CDPA § 84 (1988). U.S. law has a similar provision, applied to *visual art*. See 17 U.S.C. § 106A(a)(1)(B) (1976).

62. CDPA § 85 (1988).

63. *Id.* §§ 77-79 (1988).

64. *Id.* § 87(1)-(4) (1988); see CORNISH, *supra* note 41 at UK-47, UK-48.

65. CDPA § 77(1) (1988); cf. CHISUM & JACOBS, *supra* note 45 at 4-141, 4-142 (noting that in the United States, no such right is granted, but may be provided for by contract).

66. CORNISH, *supra* note 41, at 49.

67. See McCartney, *supra* note 33, at 211.

68. CDPA § 78 (1988).

69. *Id.* §§ 77(2), (3) (1988).

periodical, magazine, newspaper or similar work,⁷⁰ as the CDPA exempts this category of works from the doctrine.⁷¹

2. *Right Against Derogatory Treatment*

The author of a literary work may also object to derogatory treatment of the copyrighted work.⁷² This right grants the author the ability to object to distortion or mutilation of the work which is prejudicial to his honor or reputation.⁷³ However, this right does not apply to articles published in periodicals, newspapers, or magazines.⁷⁴

F. *Infringement*

The CDPA divides infringement into two categories, primary and secondary infringement.⁷⁵ Primary infringement occurs when a work is copied without permission of the author and copies are issued to the public.⁷⁶ Under the CDPA, primary infringement covers storage of the work in any medium by electronic means, including computer storage.⁷⁷ Secondary infringement arises when a copyrighted work is commercially exploited without the author's permission.⁷⁸ In a secondary infringement action, the plaintiff must show that the defendant knew or had reason to believe that the copies were infringements.⁷⁹ Specifically, he must show the defendant had notice of facts that would suggest to a reasonable person a breach of copyright was being committed.⁸⁰ Some courts also find vicarious liability for persons who sanction, countenance or approve of infringing acts.⁸¹

70. *Id.* § 79(6) (1988); see CORNISH, *supra* note 41, at 49.

71. CDPA § 79(6) (1988).

72. *Id.* § 80(1) (1988).

73. *Id.* § 80(1), (2) (1988); see CORNISH, *supra* note 41, at 50.

74. CDPA § 81(2)-(4) (1988).

75. *Cf.* CHISUM & JACOBS, *supra* note 45 at 4-153, 4-154 (1992) (noting that under United States law, infringement generally occurs when works are exact copies or are substantially similar).

76. CDPA § 16(1),(2) (1988); see CORNISH, *supra* note 41, at 53. Copying means reproducing the work in any material form. CDPA § 17(2) (1988).

77. *Id.* This would seem to cover works put online, since it makes no difference if the copies are transient. CDPA § 17(6); see CORNISH, *supra* note 41, at 54.

78. CDPA §§ 22-24 (1988). This includes importing, possessing, selling, and offering for sale copies in the course of business or to an extent which prejudices the author's rights. See *id.* § 23. This may include transmitting an authorized copy of a copyrighted work via facsimile transmission. CORNISH, *supra* note 41, at 53.

79. *Id.*

80. *Albert v. Hofnung* (1922) 22 S.R. (NSW) 75, 81.

81. *Banks L.J., Falcon v. Famous Players* (1926) 2 KB 474, 491; see CORNISH, *supra* note 41, at UK-53; *cf.* *CBS v. Ames Records* (1981) 2 WLR 973 (holding that a shop which rented records was not infringing, although it authorizes copying by borrowers).

The copyright law also finds infringement even though the work copied is itself a copy.⁸² An infringement action will lie as long as a substantial part of a work is copied from the original work.⁸³

To be liable for copyright infringement, it is not necessary to copy the entire work exactly.⁸⁴ For example, in *John Richardson v. Flanders*,⁸⁵ infringement in a computer program was found, even though the plaintiff alleged that assembly of the program elements amounted to a specific compilation in which the copyright lay.⁸⁶

G. Defenses

A number of defenses to copyright infringement exist under United Kingdom law. This comment discusses only some of those applicable to infringement of copyrighted work placed in online databases, which include fair dealing and ignorance.

1. Fair Dealing

Under the fair dealing defense, a user may copy protected works for purposes of research or private study.⁸⁷ This section of the law may be read to imply a defense even though the research is not private.⁸⁸ However, the court will deny the defense where copies of the work were sold.⁸⁹

2. Ignorance

A second defense possibly applicable to private copyrighted works on the Internet is ignorance.⁹⁰ In the United Kingdom, this defense might be available if reasonable inquiry could not ascertain the identity of the work and it is reasonable to assume the copyright has expired.⁹¹ In many instances it might be difficult to apply this defense to articles found online, since online services first became commercialized in the 1980s,⁹² and intellectual property placed online

82. CDPA § 17(3)(b) (1988); see CORNISH, *supra* note 41, at UK-58.

83. Lord Reid, *Ladbroke v. William Hill* (1926) WLR 273, 276.

84. CORNISH, *supra* note 41, at UK-56, UK-57.

85. *John Richardson v. Flanders* (1993) FSR 497.

86. CORNISH, *supra* note 41, at UK-56, UK-57.

87. CDPA § 29 (1988). Thus this exemption would not apply to works copied and sold for profit. See, e.g., CORNISH, *supra* note 41, at UK-60.

88. CORNISH, *supra* note 41, at UK-60.

89. *University of London Press v. University Tutorial Press* (1916) 2 Ch. 601.

90. CORNISH, *supra* note 41, at UK-60.

91. CDPA § 57 (1988).

92. See Rosenzweig, *supra* note 1, at 902, n.15.

after that time is arguably within the statutorily protected period of seventy years.⁹³

V. COPYRIGHT ENFORCEMENT AND ELECTRONIC PUBLISHING

Copyright law grants to the author rights to control the reproduction,⁹⁴ distribution, and use⁹⁵ of his work for a limited duration.⁹⁶ Historically, copyright law has adjusted to radical changes in technology, and has survived its unforeseen effects on the intellectual property interests of the business community.⁹⁷

Although digital technology makes monitoring and enforcement of those rights difficult, current law is adequate to resolve the difficulties.⁹⁸ The following

93. CDPA § 12(1) (amended, 1996); cf. *World Library Inc. v. Pacific HiTech, Inc.* (N.D. Cal., No. C-93-20350-JW, 1994) (finding the defendant liable, in a settlement decree for copyright infringement in the plaintiff's works; a CD-ROM version of a Shakespearean play which had been posted to the Internet). Defendants copied the works from a BBS on the Internet, and then incorporated the material into another CD-ROM products, which they sold. Ron Coleman, *Copycats on the Superhighway*, ABA J., July 1995, at 68, 69. In that case, even though the underlying works were in the public domain, because the statutory period had long since passed, plaintiffs had a separate copyright in the arrangement of the materials. *Id.*; see Mary Brandt Jensen, *Electronic Copyright Collections of Public Domain Material*, CNI Copyright Forum, CNI-COPYRIGHT@cni.org, July 7, 1993 (asserting the case has limited precedential value, since it was settled before judgement). Even so, this type of defense might be applied to such an instance in the United Kingdom, since defendants could assert they thought the works were public domain, and since there was nothing to identify it as plaintiff's copyrighted work, the defense could be applied to them. *Id.*

94. CDPA § 16 (1988) (delineating the acts restricted by copyright in a work); see CDPA § 17 (1988) (describing the acts which constitute infringement by copying).

95. *Id.*; see McCartney, *supra* note 33 at 205 (stating that copyright grants the author exclusive control of commercial exploitation of the protected material).

96. The protection starts when the work is registered. According to new section 12 of the Copyright, Designs and Patent Act 1988, copyright in a literary, dramatic, musical or artistic work expires at the end of the period of 70 years from the end of the calendar year in which the author dies. CDPA § 12(2) (1996) (if joint authorship, from the end of the calendar year in which the last known joint author died. *Id.* § 12(8). If the work is of unknown authorship, it is 70 years from the end of the calendar year in which the work was made or, if during that period the work is made available to the public, 70 years from the end of the calendar year in which it is first made available. *Id.* § 12(3); cf. U.S. law, 17 U.S.C. § 302(a) (1976) (stating that the duration of copyright is 50 years plus the life of the author for works created after January 1, 1978); but see *id.* § 303(a) (noting that works created prior to that date had protection only for 28 years from the date of registration, subject to renewal). Copyright is also available in the typographical arrangement of a published edition. This lasts 25 years from the year in which the first edition was published. CDPA § 15 (1988).

97. See Rosenzweig, *supra* note 1 at 909-11 (discussing United States copyright laws adjustment to new property rights created by the advent of new media); cf. *Board of Governors for the Hospital of Sick Children v. Walt Disney Productions, Inc.* (1966) 2 All E.R. 321, 332-335 [hereinafter Board of Governors I] (discussing the issue in relation to that case, and various other cases in the United Kingdom, which dealt partly with whether video rights were encompassed by a grant to film rights); see *Boosey & Co. Ltd. And Others v. Thorn EMI Video Programs Ltd. & Another* (1981) (Ch.D, Walton, SRL, C/75/81) available in LEXIS, UK Library, Allcase File (holding that a license to producers of a film to embody music in the films did not include the right to make video cassettes of the film for sale to the public).

98. See Deborah Reilly, *The National Information Infrastructure and Copyright: Intersections and Tensions*, 76 J. PAT. & TRADEMARK OFF. SOC'Y 903, 914 (1994); see also Rice, *supra* note 36, at 13; Simon & Gallant, *supra* note 4, at 20 (noting that copyright law may with slight adjustment, cope with the challenges posed by infringements in digital media); cf. Jessica Litman, *The Herbert Tenzer Memorial Conference:*

discussion analyzes an incident which, although it occurred in the United States, has spurred concern about the law's ability to protect intellectual property placed online in the United Kingdom and throughout the world.⁹⁹

A. The Rights of Authors

Many freelance writers earn a living by selling articles to journals and magazines.¹⁰⁰ They often submit the article to the journal without an express written contract.¹⁰¹ The writers are paid after the article is delivered.¹⁰² The publishers then print the article.

As technology changed over the years and the number of online users grew, so did the demand for articles in the new media.¹⁰³ However, a dispute has arisen in the publishing industry over writers' ability to receive compensation for secondary use of their articles online.¹⁰⁴ For example, after a freelance author's work has been published in print editions, the publisher might sell the same article to online providers, who place the work in an online database.¹⁰⁵ This often occurs without the author's permission.¹⁰⁶ As such, publishers would be paid for this new use, while authors would most likely receive no extra compensation for the republication of their work.¹⁰⁷ A recent case, *Tasini v. New York Times*,¹⁰⁸

Copyright in the Twenty-First Century: The Exclusive Right to Read, 13 CARDOZO ARTS & ENT. L.J. 29, 34, 39 (1994) (discussing how technology has turned copyright infringement from an exceptional act to an everyday occurrence).

99. See *infra* notes 108-12 and accompanying text.

100. WEBSTER'S COLLEGIATE DICTIONARY 465 (10th ed. 1994) (defining a freelance as one who pursues a profession without a long term contractual commitment to one employer); see generally Douglas Steinberg, *Journalists' Rights to Their Own Work*, 8 COLUM. J. OF ART & L. 113 (1983) (discussing the difficulty faced by journalists in obtaining copyrights, as well as fair compensation in their work). The article also discusses the plight of the freelance journalist writing for a periodical. *Id.* at 117.

101. Rose, *supra* note 20, at 103; see also Gallant & Russell, *supra* note 4, at 20.

102. *Id.* This may be due to the tight deadlines imposed by the industry.

103. See, e.g., Gallant & Russell, *supra* note 4, at 20; see also Woo & Sandberg, *supra* note 38, at B6.

104. See Shillingford, *supra* note 27, at T4; see also Gallant & Russell, *supra* note 4 at 20; Resnick, *supra* note 4, at 1.

105. See Shillingford, *supra* note 27, at T4 (examining Reuters attempt to put articles in online media without the writers permission); see also Owens, *supra* note 7 (discussing attempts by EMAP, a major United Kingdom publisher to obtain all future rights in the new media from its writers).

106. See, e.g., *Tasini v. New York Times*, et. al, Case No. 93-8678 (S.D.N.Y., filed Dec. 16, 1993); see also Resnick, *supra* note 4, at 1 (examining the issue of whether permission of the writer is necessary to place an article online, in view of the facts in *Tasini*).

107. See Gallant & Russell, *supra* note 4 at 20; see also Resnick, *supra* note 4, at 1. In the context of the work made in the course of employment, this may not matter, since copyright in the work would belong to the publisher. CDPA § 11(2) (1988).

108. Case No. 93-8678 (S.D.N.Y. filed Dec. 16, 1993). In *Tasini*, journalist Jonathan Tasini had been writing articles for the New York Times, and other periodicals. See Resnick, *supra* note 4, at 1. Mr. Tasini discovered his work had been reprinted in online materials, without his explicit permission, and in spite of subsequent objections. *Id.* Tasini and a group of nine other plaintiffs sued the New York Times, Times-Mirror Corp., Time Warner Corp. and Mead Data Central, the online providers. See also Gallant & Russell, *supra* note

which was filed in Federal Court in New York, but is still in discovery, illustrates this problem. In *Tasini*, the plaintiffs argue that the publishers may not use their work online without express permission,¹⁰⁹ and absent adequate compensation to the author.¹¹⁰ The defendants believe custom in the industry indicates that consent from the author is not necessary to publish freelance work in online databases.¹¹¹ Hence, defendants' argue permission to republish is not required, absent an express contract to reserve use of the author's materials online.¹¹²

Tasini, although still in the discovery phase, has had profoundly unsettling effects on the publishing industry in both the United States and the United Kingdom.¹¹³ In the United Kingdom, one of the major publishing houses made plans to have all of its freelance writers give up copyright in all media when submitting articles for print.¹¹⁴

The legal issues arising in *Tasini*, although local in scope, are not unique to the United States. Publishers in the United Kingdom also face the dilemma posed by the case: determining who owns the rights to publish articles in online databases.¹¹⁵

4 (guessing the effects of *Tasini* in the United Kingdom); see generally Rice, *supra* note 36, at 13. This case is still in the discovery phase, as of the time of this comment.

109. Resnick, *supra* note 4, at 1; see Owens, *supra* note 7; Shillingford, *supra* note 27, at T4.

110. Resnick, *supra* note 4, at 1.

111. *Don't Let Copyright Kill the Messenger, Say U.S. OnLine Suppliers*, *supra* note 5 (quoting Kent Stuckey, general counsel at Compuserve).

112. *Id.* See also Resnick, *supra* note 4, at 1. Parallels can be drawn between this argument, and similar arguments used in courts when other new media arose. For example, when sound motion pictures arose, disputes ensued about whether copyright in a movie included the right to "talkies." See, e.g., *J.C. Williamson Ltd. v. Metro-Goldwyn-Mayer Theatres Ltd.*, (1937) VLR 67, 56 CLR 567 (holding that the reservation of rights in motion pictures included both "talkies" and silent films). When videos became popular, disputes arose as to whether the right to distribute a movie also included video distribution rights. See *Boosey & Co. Ltd. & Others v. Thorne EMI Video Programs Ltd.* (Ch.D, Walton, 6 May 1981, SRL, C/75/81) (holding the right to distribute a movie does not include music rights in the video production); cf. U.S. law, *Rey v. Lafferty*, 90 F.2d 1379 (1993) (TV rights did not include video distribution rights). For the concept of new use rights in general, and US law, see Rosenzweig, *supra* note 1.

113. *Don't Let Copyright Kill the Messenger, Say U.S. OnLine Suppliers*, *supra* note 5.

114. Owens, Nov. 1995, *supra* note 7 (copy on file with *The Transnational Lawyer*) (citing an internal memo from EMAP Business Publishing which was leaked to the press by the National Union of Journalists, the United Kingdom counterpart to the National Writers Union (NWU), the group which helped bring the lawsuit with *Tasini*. According to the memo, many of the editors spoke against the attempt at a company meeting). Similarly, in the United States, publishing houses and authors moved to negotiate new contracts. See, e.g., Alexandra Owens, *ASJA Contracts Watch*, 75227.1650@COMPUSERVE.COM, Nov. 8, 1995 [hereinafter Owens II] (copy on file with *The Transnational Lawyer*) (citing ongoing negotiations between authors and publishers of Harper's Magazine, the Los Angeles Times, San Francisco Examiner, and other periodicals); *Joint Statement of the ASJA, and National Union of Journalists*, E-MAIL NEWSLTR., Oct. 12, 1995 (copy on file with *The Transnational Lawyer*) (citing protest by major freelance authors, such as Gore Vidal, over the contract disputes, as well as attempts by the NY Times to have writers sign a work for hire contract, granting all rights in future media to the company).

115. See, e.g., Gallant & Russell, *supra* note 4, at 20.

B. Publishing Contracts

The agreement between publisher and author is governed by contract law.¹¹⁶ In order to publish a work, the publisher must either own a copyright in the work or possess a written agreement with the author, thereby granting the publisher an assignment or license to publish the work.¹¹⁷ If the author creates the work in the scope of employment, the publisher owns the copyright and may freely publish the work, subject to any agreements to the contrary.¹¹⁸

Copyright agreements between publishers and authors are generally in the form of licenses.¹¹⁹ A license authorizes performance of certain acts that would otherwise constitute infringement.¹²⁰ A license may be oral or implied from conduct,¹²¹ and may be exclusive¹²² or non-exclusive.¹²³

C. Works Made in the Course of Employment

An issue critical to the publishing industry is whether the freelance author created the articles appearing online while in the course of employment with the publisher.¹²⁴ Although copyright normally belongs to the author of a work,¹²⁵ copyright in the work belongs to the employer if the work is made while in the course of employment.¹²⁶ Work is made in the course of employment if the work

116. HALSBURY'S LAWS OF ENGLAND, vol. 9, *Press and Printing*, at 684 (4th ed. 1974).

117. See Gallant & Russell, *supra* note 4, at 20.

118. See *id.*; see also CDPA § 11(2) (1988). This fact explains the move by some of the major publishers to obtain scope of employment contracts with freelancers, in an attempt to bypass the contractual difficulties posed by the scope of an implied license. See Alexandra Owens, *ASJA Contracts Watch, Joint Statement with the NWU and NUJ*, 75227.1650@COMPUSERVE.COM, Oct. 12, 1995 [hereinafter Owens III] (copy on file with *The Transnational Lawyer*).

119. See CDPA § 90(1988); see also STERLING & CARPENTER, *supra* note 46, at 196.

120. *Id.*; see Heap v. Hartley (1889) 42 Ch. D. 461, 470, CA per Fry, L.J.

121. See HALSBURY'S STATUTES OF ENGLAND AND WALES, *supra* note 40, at 356; see also Cooper v. Stephens (1895) 1 Ch. 567; Mellor v. Australian Broadcasting Commission (1940) 2 All. ER. 20, PC.

122. CDPA § 92 (1988). An exclusive license must be signed and in writing. *Id.*

123. *Id.* § 92(1) (stating that an exclusive license grants the licensee one or more of the exclusive rights owned by the copyright holder); see also STERLING & CARPENTER, *supra* note 46, at 192-94, 196 (1986). In the case of a non-exclusive license the author retains some rights. See, e.g., CDPA § 101 (1988) (noting that an exclusive licensee has the same rights and remedies as the original copyright holder except as against the copyright holder); *id.* § 90(2) (stating that an assignment or other transmission of copyright may be limited so as to apply to several, but not all of the rights protected by the copyright).

124. See Gallant & Russell, *supra* note 4.

125. Note that this is subject to any agreement to the contrary. CDPA § 11(2) (1988).

126. *Id.* This is subject to agreements to the contrary. *Id.*; see Stephenson Jordan v. MacDonald & Evans (1951) 69 RPC 10 at 22 (holding that a person may be employed under a mixed contract, partly as an employee, partly as an independent contractor, so that copyright of one part of the work vests in the author and one part in the employer). Note that in the United Kingdom, a written contract is not required to uphold the employment contract. But, *cf.* in the United States, if there is no written agreement, the work cannot be within the doctrine, and the rights belong to the author. See Douglas Steinberg, *Journalists' Rights to Their Own Work*, 8 COLUM. J. OF ARTS & THE LAW 113, 121. The previous U.K. law used the term contract of service to

undertaken forms an integral part of the business and the person is employed as part of the business.¹²⁷

United Kingdom law analyzes various factors to determine whether these tests are met, including: (1) the location where the services are rendered;¹²⁸ (2) the employer's appointment of the journalist;¹²⁹ (3) the employer's right of dismissal;¹³⁰ (4) the employee's receipt of a regular salary,¹³¹ paid holidays, and pension contributions;¹³² (5) the employee's use of the employer's equipment, office space and resources to do the work;¹³³ (6) and the right of the employer to allocate jobs.¹³⁴

Where work is not made in the course of employment, such as with freelance journalists, many of these factors will not be satisfied.¹³⁵ The nature of a freelancer's work is that he is not employed by any one employer.¹³⁶ Hence, freelance writers often do not receive a regular salary, paid holidays, pensions, or insurance

describe work made in the course of employment, and the term contract for service to describe the situation where the copyright belonged to the author of the work. CDPA § 4; *see* *Beloff v. Pressdram Ltd.* (1973) 1 All ER 241, 246, 247 (describing the test of contract of service as being whether the work is made in the course of employment).

127. Previously the test had been whether the employer had the right to control the manner in which the work was done. *See* *Beloff* (1973) 1 All ER 241, 248 (citing a discussion of the contract of service doctrine in *Stephenson Jordan & Harrison Ltd.* (1952) 1 TLR at 110, 111); *see generally* CORNISH, *supra* note 41, at UK-30, UK-3. The problem with the test in that form is it is not definitive. Some courts found professionals to be employees even though the employer had little control over how the work was done. *See* *Stephenson Jordan & Harrison Ltd.* (1952) 69 RPC 10; *Noah v. Shuba* (1991) FSR 14. Modern courts consider it as one of many factors in determining whether a work is made in the course of employment. Generally, control over the employee becomes a less significant factor as the amount of skill required in the work increases. *See* *Beloff* (1973) 1 All ER 241, 250; *see also* *Market Investigative Ltd. v. Minister of Social Security* (1968) 3 All ER 732, 740.

128. If the services are rendered at the residence of the person employed, then it is more likely the work is a contract for service. *See* *Simmons v. Heath Laundry Co.* (1910) 1 KB 543, 549, 550; *see also* *Beloff* (1973) 1 All ER 241, 247.

129. *Id.* at 249; *see* *Morren v. Swinton and Pendlebury Borough Council* (1965) 2 All ER 349, 351, 352.

130. *Beloff* (1973) 1 All ER 241, 249.

131. *Id.* at 253.

132. *Id.*

133. *Id.*

134. *Id.* at 252.

135. *See* *Noah v. Shuba* (1991) FSR 14 (finding copyright in a work vested in its author, even though the work was written in the course of employment). The courts noted that even though a man is employed under a contract of service, he may perform services outside the contract. *Id.* The court cited *Stevenson Jordan and Harrison Ltd. v. McDonald & Evans* (1952) 1 TLR 101, to support this view. In *Noah*, even though plaintiff used his employer's equipment and was paid a regular salary, he wrote the article at home in the evenings and on weekends. Additionally, his contract specified that writing of scientific books or monographs was not be done during working hours. Further, the court found that it was the custom of the employer for employees to retain copyright of work written by them. *Noah* (1991) FSR 14. *Cf.* *Beloff* (1973) 1 All ER 241, 242 (finding that copyright vested in the employer and not the writer of an article, because the plaintiff was employed under a contract of service, and her work was an integral part of the business). In *Beloff*, the court found that plaintiff received regular salary, had paid holidays, and used the resources of the employer, the Observer, to carry out her work. *Id.* at 253.

136. WEBSTER'S COLLEGIATE DICTIONARY 465 (10th ed. 1994).

contributions.¹³⁷ Frequently, a freelance journalist works at home¹³⁸ and uses his own equipment. Thus, most of the factors demonstrate a freelance author's work is not made in the course of employment.¹³⁹ Therefore, if the publisher does not have a copyright in the original work because it was not made in the course of employment, then the publisher needs an assignment or license from the author to publish it without infringing the author's rights.¹⁴⁰ To resolve this difficulty, publishers should always attempt to obtain a license to publish the freelance writer's work.¹⁴¹

D. Licensing Agreements

Freelance authors often face difficulty proving copyright ownership because they lack a written agreement when they provide a publisher with their work.¹⁴² In these circumstances, the publisher is regarded as having been granted an implied non-exclusive license to publish the work.¹⁴³ The issue remains whether the scope of the implied license extends to the online media, absent express terms.¹⁴⁴

137. See Craig McLaughlin, *Cybershock, Righting Copywrongs*, S.F. BAY GUARDIAN, Oct. 18, 1995 (noting that freelance journalists get paid by selling and re-selling individual articles) (copy on file with *The Transnational Lawyer*); see also Gallant & Russell, *supra* note 4, at 20 (noting freelancers are often paid a fee for each article submitted, the price not agreed upon until after publication).

138. See Steinberg, *supra* note 126, at 117 (noting journalists often write articles at home, and after hours, then publish under a pseudonym or without a byline). This may be an original work, or a re-write of something previously written. *Id.* Under United Kingdom law, copyright of a work written at home may vest in the writer, even if employed by a periodical. See, e.g., *Noah v. Shuba* (1991) FSR 14; *Stevenson Jordan and Harrison Ltd. v. McDonald & Evans* (1952) 1 TLR 101.

139. See, e.g., *Noah v. Shuba* (1991) FSR 14 (finding copyright of a work written in the course of employment vested nevertheless in the author, because even though he used some of the employer's equipment to write the article, he primarily wrote it on his own time at home); see also *Stevenson Jordan & Harrison Ltd. v. McDonald & Evans* (1952) 1 TLR 101 (finding copyright vested in the author in the parts written at home, even though some of the article was written while employed).

140. CDPA § 11(2) (1988); see also Gallant & Russell, *supra* note 4, at 20. Note, however, that if the work published was made in the course of employment, then the publisher would be entitled to exploit the work in the online media. *Id.*

141. See Gallant & Russell, *supra* note 4, at 20; see also *Owens I*, *supra* note 7 (noting the bargaining currently taking place between the freelance writers and the publishers over this issue). Whether a license is purchased from the writer may often have to do with the writer's status. See, e.g., *Owens*, *supra* note 7 (noting differential treatment of some NY Times Staff writers when the publisher was attempting to negotiate online rights).

142. Gallant & Russell, *supra* note 4, at 20; see also *Rose*, *supra* note 20, at 103.

143. Gallant & Russell, *supra* note 4, at 20; see also *Hall-Brown v. Illiffe and Sons Ltd.* (1929) MacG. Cop. Cas. (1928-1935) 88 (stating that when a journalist sends an article to an editor without any reference to publication or remuneration, there is probably an implied authority to publish on payment at the standard rate); see generally HALSBURY'S LAWS OF ENGLAND, *supra* note 1160, at 560-61. An exclusive license is one where the licensee has rights to the article otherwise belonging to the author. CDPA § 92(1) (1988). However, an exclusive license must be in writing. *Id.* Hence, a non exclusive license exists where the contract is not in writing. *Id.*

144. Gallant & Russell, *supra* note 4, at 20; see also *Resnick*, *supra* note 4, at 1.

While there have been no resolved cases directly on point, U.K. courts have examined the issue of new use rights created by progressing technology.¹⁴⁵ The approach taken by the courts involved an examination of the contract terms,¹⁴⁶ the intent of the parties,¹⁴⁷ the unfairness in the terms of the agreement,¹⁴⁸ and the foreseeability of the new media at the time of the formation of the contract.¹⁴⁹ These concepts will be examined below, in the order presented.

1. Intent of the Parties

In order to determine the scope of an implied license, courts frequently examine the terms of the contract granting the license to determine the intent of the parties.¹⁵⁰ One of the leading cases in the United Kingdom on the reach of an implied license in new technology is *Board of Governors of the Hospital for Sick Children v. Walt Disney Productions Inc.*¹⁵¹

The dispute surrounded the meaning of a 1919 agreement which granted a license from the author of the play "Peter Pan" to the plaintiff to make a cartoon

145. For example, as technology progressed from silent movies to sound motion pictures, and as video was created and used to tape TV and movies, questions arose as to ownership of rights in the new media, absent express contract terms. See Rosenzweig, *supra* note 1, at 899. This issue was explored by the courts mainly in the instance when the scope of the license did not explicitly extend to the new use proposed. See, e.g., *Board of Governors of the Hospital for Sick Children v. Walt Disney Productions Inc.* (1968) [hereinafter *Board of Governors II*] 1 All ER 1005, 2 WLR 1250; *Boosey & Co. Ltd. v. Thorn EMI Video Programs Ltd. & Another* (1981) Ch. Div. (holding that a license was not granted to make a video when film rights were granted); *Williamson Ltd. v. Metro-Goldwyn-Mayer Theaters Ltd.* (1937) 56 CLR 567, 11 ALJ 112 (examining the terms of a 1924 agreement granting the licensee rights to produce and perform a play-excepting motion picture rights). In the United States, the issue was examined in *Cohen v. Paramount Pictures* 845 F.2d 851 (1988).

146. See *Board of Governors II*, *supra* note 145 (examining the terms of an 1919 agreement by Sir Barrie, granting the rights to "cinematographic or motion picture films"); see also *J.C. Williamson Ltd. v. Metro-Goldwyn-Mayer Theaters Ltd.* (1937) 56 CLR 567, 11 ALJ 112, (examining the terms of a 1924 agreement granting the licensee the rights to produce and perform a play-excepting motion picture rights). In the U.S., the issue was examined in *Cohen v. Paramount Pictures* 845 F.2d 851 (1988). The general contract approach taken by U.S. courts is examined in Rosenzweig, *supra* note 1, at 910-12.

147. See *Board of Governors* (1968) Ch.52 (1967), 1 All. ER. 1005, 2 WLR 1250; see also *J.C. Williamson Ltd.* (1937) 56 CLR 567, 11 ALJ 112. For a discussion of intent in relation to the U.S. law, see Rosenzweig, *supra* note 1 and accompanying footnotes.

148. See *Schroeder v. Macaulay* (1974) 3 All. ER. 616 (discussing a contract between a composer and music publisher which was held invalid because of unequal bargaining positions of the two sides, and disparity of obligation); see generally CORNISH, *supra* note 41, at UK-34; CDPA §4 (3)(a) (1988).

149. See *Board of Governors I* (1966) 2 All ER. 321, 336 (stating that the effect of the 1919 agreement depends on whether sound pictures were within the contemplating of the parties at the time. The fact that sound pictures were not commercially viable at the time of the agreement was important in the court's analysis); cf. U.S. law, *Bartsch v. MGM Inc.*, 391 F.2d 156 (1968).

150. See *Board of Governors II*, *supra* note 145 at 1013, 1014; cf. HALSBURY'S LAWS OF ENGLAND, *supra* note 116, at 684 (noting that the relations between author and publisher is governed by the contract between them).

151. (1968) 1 All ER. 1005.

film.¹⁵² Central to the dispute was whether the right to make the motion picture film included the right to make a motion picture with sound.¹⁵³ The dispute arose in 1964, when the hospital negotiated with a third party to make a motion picture of the play.¹⁵⁴ Defendants objected, alleging this infringed on their rights to the play that had already been granted by the plaintiffs.¹⁵⁵ In order to resolve the dispute, the court examined the terms of the 1919 contract, as well as subsequent dealings of the parties, finding that the hospital had the right to make the film.¹⁵⁶

This case may shed little light on a publishers' license to put an article online, if the parties evinced no intent when the freelance author submitted the article for publication, since the parties may not have contemplated the new use.¹⁵⁷ Even so, an implied license in the new media might be found in the words and conduct of the parties if circumstances indicate that the author consented to placing materials online.¹⁵⁸ Additionally, the steady appearance of articles online for a period of many years may indicate acquiescence by authors to past online uses by the publishers.¹⁵⁹

2. Unfairness in Bargaining Terms

In some situations, U.K. courts have held contracts invalid where there is disparity of obligation between the two parties of a copyright agreement.¹⁶⁰ Others cite onerous methods used by publishers in the negotiation of online rights in the

152. Board of Governors II, *supra* note 145, at 1009.

153. *See id.* (holding that at the time of the 1919 agreement, the possibility of sound films were very remote, but even though they were not a commercially viable medium, it was not dispositive to the right being within the contemplation of the parties).

154. *See* Board of Governors I, *supra* note 97, at 329.

155. *See id.*

156. *See id.* at 330-336. The court in *J.C. Williamson Ltd.* (1937) 56 CLR 567, took a similar approach.

157. In Board of Governors II, *supra* note 145, the court found that sound motion pictures were neither commercially viable at the time of the contract formation, nor within the parties contemplation. *Id.* at 1009. Hence the contract did not encompass the right to make sound films. *Id.* Similarly, an agreement to publish a freelance author's work may not encompass the right to place the article online. *See* Gallant & Russell, *supra* note 4, at 20 (asserting that United Kingdom publishers would be prudent to negotiate the rights to online publication with freelance writers, to avoid litigation).

158. *Redwood Music Ltd. v. Chappell and Co.Ltd.* (1982) RPC 109, 128; *see* Gallant & Russell, *supra* note 4, at 20 (doubting whether consent would be implied in such a situation). Additionally, in the United Kingdom, some cases have held a license was not granted even though the copyright owner acquiesced to infringement in the past. *See* Maxwell v. Somerton (1874) 30 LT 11; *see also* Walter v. Steinkopff (1892) 3 Ch.489 (holding that the custom of copying did not admit of an implied license).

159. *See* Resnick, *supra* note 4, at 1; *but cf.* note 158 for contrary cases.

160. *See* Schroeder v. Macaulay (1974) 3 All.ER 616 (holding a contract between a music publisher and composer invalid because of the unequal bargaining position of the two sides); *see also* Clifford Davis v. WEA Records (1975) 1 All.ER 237, and Elton John v. James (1991) FSR 397. In the U.S., this concept was discussed in the framework of new use rights in the case of *Rey v. Lafferty*, 990 F.2d 1379 (1st Cir. 1993) at 1388-1389; *see, e.g.,* *Kirke v. La Shelle* 188 N.E. at 167 (1930) (preventing one party from injuring the right of another party to receive the benefit of the contract).

new media as evidence of the disparity in bargaining position between freelance journalists and publishers.¹⁶¹ As publishers attempt to coerce freelance writers to sign away all online rights to their articles,¹⁶² a disparity between the publishers and writers may become more apparent.¹⁶³ Even so, commentators argue that some unfairness to the writers may be necessary to ensure growth of the online medium.¹⁶⁴

3. *Foreseeability of the New Uses*

United Kingdom cases have not looked favorably on new use rights unless they were within the contemplation of the parties at the time of the formation of the contract.¹⁶⁵ Thus, the grantor retains the new use right if the new use was unforeseen at the time of the contract.¹⁶⁶ *Board of Governors II*¹⁶⁷ hints that a new use license may be granted even though the new use is not yet commercially viable.¹⁶⁸ In the instance where the new media is foreseeable, a license for the new use may be granted.¹⁶⁹

161. See Owens I, *supra* note 7 (noting the attempt by a UK publisher to get contracts with freelance journalists in place); Owens II, *supra* note 114 (noting tactics used by various publishers in the US to get writers to agree to contracts granting new use rights all to them). The disparity in position of the freelance writers has been noted by others. See generally Steinberg, *supra* note 126, at 113.

162. Owens I, *supra* note 7; see also Resnick, *supra* note 4, at 1; Gallant & Russell, *supra* note 4, at 20; Rice, *supra* note 36.

163. The financial success of the businesses on the Internet has been questioned by some. See, e.g., Schwartz, *supra* note 57, at 74-77.

164. See Rosenzweig, *supra* note 1, at 931-32 (proposing to grant new use rights to the publishers for contracts in existence before the new medium of the Internet was commercialized, in order to allow publishers to offset their initial investments in the new media). In this regard, the commenter proposed copyright should vest in the publishers.

165. See Board of Governors II, *supra* note 145, at 1009 (discussing the fact that the parties to the 1919 agreement could not have contemplated sound movie rights, since at the time of formation of the contract, sound films were only a very remote possibility); see also Board of Governors I, *supra* note 97, at 332 (discussing the fact that at the time of formation of the 1919 contract, sound recording was unknown as a commercial proposition, and noting further that by 1919 neither the problem of synchronization nor amplification of sound had been solved such that sound movies were a viable medium); but, cf., the court in Board of Governors II, *supra* note 145, at 1009 compared that case to J.C. Williamson Ltd. (1937) 56 CLR 567 (noting that in J.C. Williamson Ltd., the agreement was made in 1924, when, although only silent films were being produced, sound films were imminent, and both parties to the contract knew it).

166. Board of Governors II, *supra* note 145, at 1009.

167. *Id.*

168. See *id.* (citing with approval J.C. Williamson Ltd. and L.C. Page & Co. v. Fox Film Corp., 83 F. 2d 196 (1936) that even before the sound film was commercially viable, the rights to its use could be granted via grant of moving picture rights).

169. See *id.* (citing J.C. Williamson Ltd. v. Metro Goldwyn Mayer Theaters (1937) 56 CLR 567, where the court held that reservation of motion picture rights included the right to make both silent and sound films, as both the parties knew sound motion pictures were imminent at the time of formation of the contract).

Commercial viability of the new medium is one factor courts might look at in determining whether the online publication was foreseeable.¹⁷⁰ When Mr. Tasini signed his contract to write an article for the *Times*, it was foreseeable that an article could appear online, because publishers had been placing articles online for quite some time.¹⁷¹ Additionally, given the intense media attention to the issue, online use of an article was foreseeable for any writer publishing an article after the *Tasini* case was filed.¹⁷²

E. The Author's Right of Attribution

A freelance author's moral rights¹⁷³ may pose problems to publishers seeking to place articles online.¹⁷⁴ If publishers do so without the writer's permission, it may infringe upon the author's right of attribution or other moral rights.¹⁷⁵ As a result, if an author's right of attribution has been infringed upon, he may be able to bring suit against the publisher.¹⁷⁶

However, under current United Kingdom law, the publisher has an exemption to this right if the writer creates the work in the course of employment,¹⁷⁷ or if the work is published in a newspaper, magazine or similar periodical.¹⁷⁸ Copyright in a freelance author's work may not vest in the author, but rather in his employer-the publisher.¹⁷⁹ If so, then the freelance author may not make an attribution claim for articles put online.¹⁸⁰ However, if the author does have rights

170. See *id.* (asserting that even before the sound film was commercially viable, the rights to its use could be granted via grant of moving picture rights). The court also cited to *J.C. Williamson Ltd. v. Metro Goldwyn Mayer Theaters* (1937) 56 CLR 567, which also looked at commercial viability as one factor to determine whether the parties could foresee the new use. *Id.*

171. See *Pulling and Pushing E-Rights*, *supra* note 2, at 19 (noting the ongoing negotiations of online rights between publishers and writers, hastened because the writers know materials are being placed online); see also Rosenzweig, *supra* note 1, at 902, n.15 (asserting that online databases became commercially viable by the mid 1980s). This would not be the sole factor in a court's determination of copyright ownership, since the most important factor is what the parties contemplated when the agreement was formed. See, e.g., Board of Governors II, *supra* note 145, at 1009.

172. See *Pulling and Pushing E-Rights*, *supra* note 2, at 19 (noting publishers and writers attempts to delineate some type of policy for articles put online, to help establish custom).

173. The moral rights include the right of attribution, right against derogatory treatment, right against false attribution. See *supra* notes 65-74 and accompanying text.

174. See Gallant & Russell, *supra* note 4, at 20 (discussing the issue of moral rights in terms of freelance journalists and the online publications).

175. See *id.* (discussing the issue of moral rights in terms of freelance journalists and the online publications); see generally McCartney, *supra* note 33, at 205.

176. See, e.g., *Noah v. Shuba* (1991) FSR 14 (stating that the author may have a right of attribution for an infringing work which was based on research the plaintiff had originally done, when the defendant did not attribute any of the work to the plaintiff).

177. CDPA § 79(3)(a) (1988).

178. *Id.* § 79(6).

179. *Id.* § 11(2); see also *supra* notes 50-52, 124-41 and accompanying text (discussing when a work is made in the course of employment).

180. CDPA § 79(3)(a) (1988).

in the work,¹⁸¹ she may bring suit to assert right of attribution.¹⁸² However, to claim attribution, the author must satisfy several preliminary requirements.

First, if the freelance author wrote an article reporting current events, she may not bring suit for attribution.¹⁸³ Additionally, the author must prove online publication did not constitute publication in a similar periodical.¹⁸⁴ This issue has not been litigated and may involve an analysis of the similarities and differences between online and print publications.¹⁸⁵ Assuming the barriers are surmounted, some analysts believe authors may have only a slight chance of favorable judgment.¹⁸⁶ However, moral rights claims may serve as a negotiating tool for freelance authors where it is not clear whether an implied license was granted to the publisher in the new media.

VI. PAYMENT FOR USE OF ARTICLES ONLINE

Central to the dispute surrounding ownership of copyright in online articles is whether the author should receive compensation for online use and if so, how the compensation should be calculated and collected.¹⁸⁷

A. *The Writers*

Many are of the opinion that freelance writers are vastly underpaid for their work.¹⁸⁸ Some have even referred to them as a modern day equivalent to the sweat shop worker.¹⁸⁹ Publishers are sufficiently concerned about the licensing issue's effect on the publishing industry and have started granting new use rights

181. *Id.* § 11(1).

182. See *supra* notes 173-86 and accompanying text.

183. CDPA § 79(5) (1988).

184. CDPA § 79(6)(a) (1988). The law states the right of attribution does not apply in relation to publication in a newspaper, magazine or similar periodical; see also Gallant & Russell, *supra* note 4, at 20 (noting the issue of what constitutes a similar periodical has not been settled under British law).

185. There are similarities between print and online publications. This has been a basis for arguments that online rights should vest in the publishers. See Resnick, *supra* note 4, at 1 (arguing that the rules of copyright law don't change merely because of changes in technology); but cf. John Perry Barlow, *Selling Wine Without Bottles = The Economy of Mind on the Global Net*, [HTTP://WWW.EFF.ORG/PUB/PUBLICATIONS/JOHN-PERRY-BARLOW](http://www.eff.org/pub/publications/john-perry-barlow), Nov. 1995 (copy on file with *The Transnational Lawyer*) (noting the radical changes the Internet has wrought on publisher's and author's ability to make money in online articles, given the public's expectations that everything on the Internet should be low cost or free). The article also discusses the dissimilarity of online and traditional print publications. *Id.* Barlow argues that articles published online are more akin to ideas, which have historically been unprotected by copyright law.

186. Gallant & Russell, *supra* note 4, at 20.

187. See Rice, *supra* note 36, at 13 (discussing licensing schemes to give the authors some compensation for articles placed online). See also Pulling and Pushing E-Rights: Publishers Negotiate for Content and Writers Follow the Money, *supra* note 2, at 19 (analyzing the publishers attempts to determine compensation for articles placed online).

188. See Steinberg, *supra* note 126, at 114.

189. See Owens I, *supra* note 7.

to many prominent freelance writers.¹⁹⁰ Although this may indicate acquiescence in the face of potentially paralyzing writer protests,¹⁹¹ it may indicate a flaw in the publisher's view of the industry custom,¹⁹² or that custom is in a state of flux.¹⁹³ Additionally, it does not seem fair that publishers may re-sell a writer's article to an online provider after it has already been published, without paying the author for subsequent use.¹⁹⁴ It seems especially inequitable if the author objects to the resale of the work and subsequent online use.¹⁹⁵

Perhaps authors have a right to profit from their intellectual labors, as do publishers.¹⁹⁶ However, if authors exert pressure for inordinate licensing fees to put material online, it may have a detrimental effect on the electronic publishing industry.¹⁹⁷ Clearly, both parties have a stake in the success of the industry.¹⁹⁸ Yet, it does not seem unrealistic for writers to expect some compensation in the absence of an express license to put articles online.¹⁹⁹

190. *See id.* (noting special treatment and attention accorded to granting additional compensation for online use of articles written by certain writers for the Times and other periodicals).

191. *See, e.g.,* Owens III, *supra* note 114 (discussing a protest of several hundred prominent freelance writers in the United States, when faced with the publishers attempts to negotiate very broad licensing agreements for publication in any foreseeable future medium).

192. *See* Gallant & Russell, *supra* note 4, at 20.

193. *See, e.g.,* *Pulling and Pushing E-Rights: Publishers Negotiate for Content and Writers Follow the Money*, *supra* note 171, at 19 (surveying the policy of various periodicals in determining compensation for use of articles in electronic media). The policies vary widely, from the Times, which claims no additional compensation is due, to Harper's and some others who pay a small fee for online use. *Id.*

194. The publisher has already profited from the author's work, so absent an article made in the course of employment, he perhaps should not be entitled to collect twice. *See infra* notes 124-41 and accompanying text.

195. Resnick, *supra* note 4, at 1 (noting that *Tasini* objected to the Times use of his articles online, after he found out).

196. *See generally* Steinberg, *supra* note 126, at 115.

197. This general assertion made by many apparently confuses the online database industry, which is highly profitable, with electronic publishing on the Internet, which it is yet to be established as bankable. Publishing on the Web has not yet achieved financial stability. *See, e.g.,* Schwartz, *supra* note 57, at 74-766 (discussing the problems companies publishing on the Web are having in making money, when users of the Internet expect most publications online to be free or of nominal cost). However to the contrary, online database providers are experiencing no such financial difficulties. *See, e.g.,* ICC INFO, Oct. 1993, *supra* note 1, at 37 (exploring the growth of electronic publishing in online databases where the subscriber pays a fee for access). In the United States, online databases are a 6.5 billion dollar a year industry, probably half of which is owned by traditional publishing companies. *Id.* It has been estimated that profits from this are on the order of twenty percent, with the potential profits related to use of online articles at around 100 million dollars. Demac, *supra* note 2, at 21. Further, the United Kingdom is home to two of the largest online database companies, Reuters and Reed-Elsevier. *See supra* notes 1 and 3 and accompanying text.

198. *See Pulling and Pushing E-Rights*, *supra* note 2, at 19 (noting the ongoing negotiations between publishers and writers, and the attempt to come up with a fair method to price articles placed online).

199. *Id.* *See also* Gallant & Russell, *supra* note 4, at 20.

B. The Publishers

Publishers should have the right to place articles written by freelance writers in Internet publications, unless the author has expressly reserved the right.²⁰⁰ Although each article requires a great deal of time to write, a magazine or periodical is composed of many articles and efforts to arrange individual works into an organized edition should not be overlooked.²⁰¹ Additionally, the work is produced for and under the discretion of the publisher.²⁰² The employer pays the author for the individual article and also bears the risk of loss should an article or edition not be well received.²⁰³ Hence, the publisher deserves to reap any gains from such work.²⁰⁴ Further, publishers are not paid a per-article rate for online articles.²⁰⁵ Therefore, if freelance writers were granted licensing fees for each article placed online, it might pose administrative difficulties.²⁰⁶ Additionally,

200. See *infra* note 164 and accompanying text. Note that this analysis ignores the fact that some subscription databases such as LEXIS may be accessed via Internet.

201. Note however, that in the United Kingdom, publishers may acquire copyright in the typographical arrangement of each periodical. CDPA § 15 (1988). Hence, the publishers interest in protecting the skill and labor which goes into the arrangement of articles may be protected under this section of the law. See Gallant & Russell, *supra* note 4, at 20.

202. See Steinberg, *supra* note 126, at 114-15.

203. *Id.*

204. These gains may not be insignificant. Ideas for motion pictures have been taken from news articles or magazines, and have sold for significant sums of money. See, e.g., Steinberg, *supra* note 126, at 113-14. In the context of online rights, much of the intensity of the debate about ownership in rights has to do with revenues currently generated, and potential profits in the Internet. See generally Gallant & Russell, *supra* note 4, at 20; cf. Resnick, *supra* note 4, at 1 (noting some of the arguments about who should bear the risk of loss in the new media, in relation to the Tasini case); see also *Don't Let Copyright Kill the Messenger, Say United States Online Suppliers*, *supra* note 5 (noting some of the arguments as to whom rights in the new media should be granted, absent an express agreement).

205. See Resnick, *supra* note 5, at 1 (stating that Time, Inc. gets paid a flat fee for making its articles available to an online database like Nexis, and hence, Time's use of the article is no different from selling a single copy to the public library, from which Time does not receive compensation when someone photocopies an article). While this argument may ignore the fair use doctrine, it does have its merits in terms of the public's expectations of free or low cost articles available on the Internet. See Schwartz, *supra* note 57, at 76.

206. See *Don't Let Copyright Kill the Messenger, Say United States Online Suppliers*, *supra* note 5 (citing the problems inherent in a per article license fee for authors, and suggesting the possibility of groups to oversee revenue collection); see also Resnick, *supra* note 4, at 1 (stating that many new media projects may grind to a halt if the courts side with the writers, as publishers endeavor to ascertain what rights they need to obtain before articles appear online); but, cf., *Don't Let Copyright Kill the Messenger, Say United States Online Suppliers*, *supra* note 5 (noting that although it would be administratively complex to sort out royalties and rights for online use of materials, there are copyright licensing organizations which perform similar functions for musicians); see also Shillingford, *supra* note 27, at T4 (pointing out the disingenuous nature of the administrative complexity argument, since several British copyright organizations, such as the Author's Licensing and Collecting Society have already started the process to negotiate blanket licensing agreements with online providers, so the writers may get some royalties from online use of their articles); *Pulling and Pushing E-Rights*, *supra* note 2, at 19 (examining the method used to price articles in online media). Payment distribution for online articles may simply be a matter of getting the right software technology. *Id.*; see Rice, *supra* note 36, at 13 (discussing the technology used by Folio Corporation, a Reed-Elsevier subsidiary, which allows publishers to monitor the use of its online intellectual property over the Internet, and other wide area

following the *Tasini* case, it is foreseeable that freelance articles will be placed in online databases, and other electronic publications.²⁰⁷ Hence, writers who do not secure rights in online media do so at their own risk.²⁰⁸ In sum, in the absence of a freelance author's express reservation of rights or a written employment contract, the publishers should be entitled to exploit the copyright of print articles transferred to the Internet. However, due to the lucrative nature of other online database delivery services,²⁰⁹ as well as improvements in technology,²¹⁰ it does not seem fair to grant publishers the right to publish articles in online databases absent some compensation to the writers for secondary use.

VII. CONCLUSION

Both the author and the publisher have a pecuniary interest in the unique expression of ideas.²¹¹ In the raging debate over who should profit from the use of new technology,²¹² it seems improvident to ignore the public's expectations as to the free flow of information in the marketplace.²¹³ If writers are granted licensing fees, it may drive the price of online databases up.²¹⁴ Fees granted to them for use in online databases should be structured to avoid harming consumer

networks). Clearance agreements for licensing online articles, coupled with use of this new technology, may make tracking of individual articles on the Internet possible, contrary to publishers' assertions. *Id.* Similarly, there are several licensing organizations in the United States, notably, the Copyright Clearance Center, which has an Internet site (<http://www.ccc.com>), and the National Writers Union.

207. See Resnick, *supra* note 4, at 1 (stating that absent a written or oral grant of rights, the standards of custom and usage applies. Hence, it is the writer's responsibility to reserve those rights if the writer knows articles may appear online). However, it is not certain that such a custom exists. See, e.g., Gallant & Russell, *supra* note 4, at 20 (stating that the courts may be more willing to imply license to online rights as a custom develops). The current battle over who gets rights in the articles put online is evidence the custom issue has not been settled in this context.

208. See *supra* note 164 and accompanying text.

209. See ICC INFORMATION GROUP LTD., ICC STOCKBROKER RESEARCH REPORTS, *EMAP-Divisional Analysis*, Mar. 9, 1995, at 7, available in LEXIS, UK Library, Alleur File (noting the expansion of EMAP, a major United Kingdom publisher, into online media); ICC INFO. Oct. 1993, *supra* note 1, at 37. In the United States, online databases, e.g., those accessible via computer, using a modem or other connection, are a 6.5 billion dollar industry. *Id.*; see also ICC INFO. Apr. 1995, *supra* note 1, at 3 (noting the expansion of Reed-Elsevier into the United States online database market).

210. See Rice, *supra* note 36, at 13 (discussing some of the new technology available to trace individual articles placed in online databases). The article posits that current copyright law is adequate to deal with the licensing problems posed by *Tasini*. *Id.*

211. See *supra* notes 188-210 and accompanying text (discussing the author's interests in profiting from their work, which is resold after first publication, to online database companies; and the publishers' interests in being able to offer their services in a cost effective manner, accounting for the skill of production).

212. See *supra* notes 1-7 and accompanying text (discussing the burgeoning electronic publishing industry and the competing claims of authors and publishers to a share in the profits).

213. See *supra* note 34 and accompanying text (discussing the public's interest in gaining ready access to the author's works).

214. See *supra* note 205 and accompanying text (discussing the attempts to determine fair compensation in works published online, and publishers' fears of the affect licensing online use will have on the relatively new industry).

demand for the relatively new industry. If access to Internet and other online databases becomes too expensive for the average computer user, due to excessive licensing fees, it will not matter who wins this debate.²¹⁵ Ultimately, it is the public who pays for print and online articles.²¹⁶ If online provider rates are forced out of reach of the average user, everyone will lose.

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215. See *supra* note 31 and accompanying text (discussing the affect that pricing a copyrighted work too high will have on the market for the works, and on the author's desire to create more works).

216. Cf. *supra* notes 1-4 and accompanying text (discussing the profitability of the online database industry, as well as the large share of profits garnered by publishers). Compare with the notion that the public has for the most part been unwilling to pay much if anything for articles published on the Web. See, e.g., Schwartz, *supra* note 57, at 74, 77 (noting how users of the Web have been unwilling to pay any fees to most of the electronic publications).